

1 December 1979

MEMORANDUM FOR: Executive Committee

FROM: Director of Central Intelligence

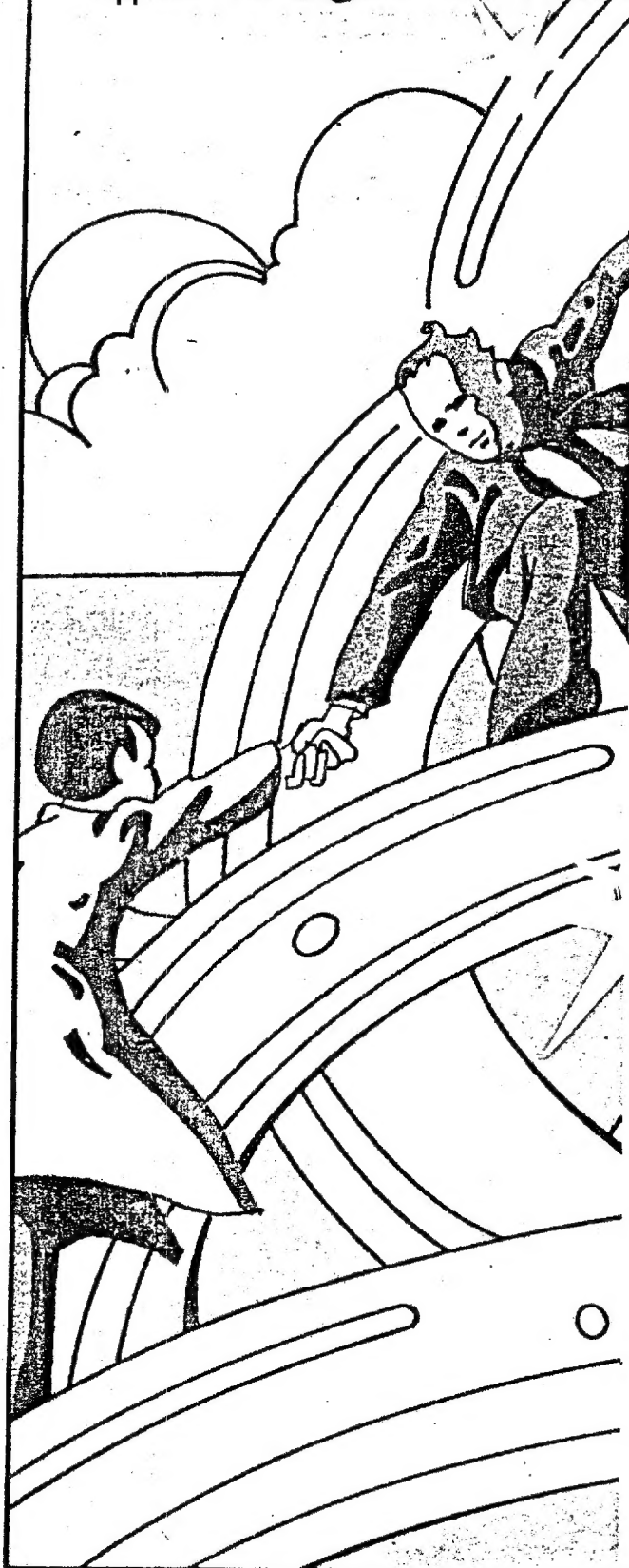
Attached is an article on the advantages of the rotation of executives within their organizations. I request you read it before we reach this item in our scheduled Executive Committee discussions on the NAPA report.



STANSFIELD TURNER

Attachment a/s

*Not sent -- DCI holding original
as of 6 Dec 79*



The peripatetic manager executive rotation at Dahlgren Laboratory

By Philip L. Martin

Flexibility, harmony, expertise. Sound good? Executive rotation may help you achieve them.

A managerial merry-go-round. That may be the connotation of the term "executive rotation" to many managers. Some of them may associate the practice with an informal mobility system that benefits "front-enders," persons who like to spend a short time in highly visible projects and then move on to a new area, sometimes to the detriment of extended productivity and leadership continuity.

But executive rotation has a wider meaning for some managers who have participated in it as a long-term, across-the-board method of executive development. Job rotation as discussed in this broader sense refers to a somewhat subjective process whereby management steers middle-level managers from branch to branch or program to program within the same department; the process also calls for wider, interdepartmental rotation of promising middle managers, especially division chiefs, who

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can benefit from flexible but systematic rotation in which the length of assignments is not prescribed.¹

Recent research on job rotation verifies that a judicious pattern of reassignment and rotation can broaden a manager's perspective and add to his qualifications. For the organization employing him, the manager's improved skills and broader knowledge will reduce administrative stagnation and contribute to the development of an experienced staff ready to fill a variety of vacancies.²

Executive rotation has proved successful in private enterprise, typically engendering a company-wide point of view that aids decision making. In the federal government, the advantages of executive rotation have received increased attention since the passage of the Civil Service Reform Act, which

¹See Yoram Zeira, "Job Rotation for Management Development," *Personnel*, July-August 1974, p. 28.

²Gary G. Kaufman, "Managerial Mobility: A Cost-Benefit Analysis of Job Rotation," *The Bureaucrat*, Jan. 1975, pp. 462-485.

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reorganized the upper managerial ranks into the Senior Executive Service.

Dahlgren introduces rotation

One outstanding application of executive rotation in the federal sector is found at the Dahlgren Laboratory of the Naval Surface Weapons Center in Dahlgren, Virginia, which has a long history of using executive rotation to develop personnel at all levels. The Dahlgren facility opened in 1918 as a testing and proving ground. In 1958 it became a comprehensive research and development laboratory oriented toward support.

For the next decade, Dahlgren used the directorate form of organization in which the heads of technical departments and the technical director met as a board at least once a week under the chairmanship of the commanding officer. Although this group was responsible for setting policy and making decisions on matters affecting the entire organization, it was hampered by frequent jurisdictional conflicts as each department head protected his interests, sometimes to the detriment of the entire laboratory. As a result, a plan was devised to integrate what were then three semi-autonomous technical departments into a cohesive decisional body.

In 1968, the idea of rotation was introduced into the executive ranks, but primarily in the technical departments because other departments were restricted by assignment and classification requirements. Results from studies made a number of years after the start of the program portray the policy as successful in a number of ways. The studies rely on

surveys and interviews with Dahlgren's executives and middle managers. Thus, the advantages reported are not derived from hard data; nevertheless, the responses do point up the benefits of managerial mobility.

A study of Dahlgren in 1972 by James Colvard reported, for instance, that rotation "gives the manager an element of flexibility in the disposition and utilization of human resources (which are the key to R&D) that he does not normally have in a more rigid organization. This flexibility is possible because the personal emotional trauma of movement in the ranks is removed when rotation is demonstrated by top management to be a positive thing."³

Organizational memory

Similarly, in interviews at Dahlgren in 1978,⁴ which yielded data for the present article, participants indicated that executive rotation enhanced organizational efficiency in quite a few ways. One major advantage of the rotation policy at Dahlgren is the department heads' exposure to more than just the laboratory's ongoing operations. Moving from area to area, the executive gathers a variety of knowledge, such as an awareness of individual performance and information about past research. A rich combination of experiences constitutes an executive's administrative memory, which aids him in making decisions on the feasibility of new projects. The wider the variety of contributing sources, the more administrative memory serves as a data base—one composed of a person's interpretations, perceptions, and reactions, all of which are qualified by the range of his analytical abilities.

Administrative memory is thus a very useful decision-making tool, because the more an executive learns about the limitations of various R&D situations, the better equipped he is to avoid pitfalls. In this way, rotation fosters consideration of various alternatives, a practice essential to the success of Navy research and development. For example, professional employees must be free to explore ideas,

³James E. Colvard, *Executive Rotation as a Means of Managerial Development* (Unpublished M.A. thesis, University of Oklahoma, 1972), p. 10.

⁴See also Philip L. Martin, *An Evaluation of Management Training at the Naval Weapons Laboratory (Dahlgren, VA, 1974)*.

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and in this respect an administrative memory helps to establish the parameters within which subordinates may work.

To maximize the benefits of allowing executives to serve in a series of different assignments, the Dahlgren Laboratory encourages collegial interaction by holding weekly meetings of its department heads, who act as the agency's board of directors. They are treated as equals in the collective process of making top-level decisions, permitting a higher level of organizational consciousness than would arise under the standard pyramidal model of administrative hierarchy.

This attainment, unusual for most public agencies, has come about because Dahlgren's philosophy on top management promotes the assimilation of individual administrative memories into the process of participative management. At some time, every executive contributes to the organizational memory, which is continuously refined, both collectively and individually. Since its rotation system began, the Dahlgren Laboratory has employed a series of administrators, whose experience continues to contribute to the total awareness of the current leaders, even though the association between a specific contribution and a single contributor gradually fades.

Dahlgren's long record of impressive achievements has a positive psychological impact. For example, the first successful testing of a radio-controlled airplane took place at Dahlgren, as did the pioneer testing of the important Norden bombsight.⁵ Even though none of the persons involved in these projects is still employed at Dahlgren, the fame of the projects continues to contribute to morale. Later generations, remembering former triumphs, are not afraid to perform the innovative experimentation vital to research and development.

Organizational direction

Top management mobility provides a second advantage interrelated with organizational memory. After serving as the head of several departments, a Dahlgren executive gains an invaluable insight into how each component of the laboratory contributes to the laboratory's mission. Such understanding, obviously important to the functioning of any organization, is crucial in the often unstructured environment of military research. While a free-floating

frame of reference stimulates creativity and innovation, it can also foster deviation from established objectives. For instance, a project may drift off course, or scientists may become isolated while testing new hypotheses. Research and development laboratories are particularly susceptible to the distractions of theory; as an academic pursuit, science can become a preoccupation leading to a loss of intellectual contact with the original objective. Preoccupation may even degenerate into stagnation, with no real progress being made.

How do managers in charge of an experiment keep everyone's attention concentrated on the goal? In public administration, the two most widely accepted methods are identified by the terms organization and dominance of idea.

The term organization means "interrelating the subdivisions of work by allotting them to men who are placed in a structure of authority, so that the work may be co-ordinated by orders of superiors to subordinates, reaching from the top to the bottom of the entire enterprise." The term dominance of idea means "the development of intelligent singleness of purpose in the minds and wills of those who are working together as a group, so that each worker will of his own accord fit his task into the whole with skill and enthusiasm."⁶ These two primary ways of maintaining control and coordination usually function concurrently. At Dahlgren, however, the idea of executive rotation engenders its own system of direction and dominates organizational structure; the latter exists largely because the civil service regulations require formal designation of managers at the various levels of responsibility within a government agency.

Executive rotation at Dahlgren has curtailed deviations from an established course of action and minimized their negative impact because interaction among department heads checks the tendency to stray afield. One department may begin to lose sight of the objectives, but executives who formerly worked in the deviating department still act unofficially as monitors for the ongoing projects which

⁵Kenneth G. McCollum, ed., *Dahlgren (Dahlgren, VA, 1977)*, p. 19.

⁶Luther Gulick, "Notes on the Theory of Organization," *Papers on the Science of Administration*, eds. Luther Gulick and L. Urwick (New York: Columbia University Press, 1937), p. 23.

“In public administration, crossing departmental boundaries in order to coordinate work is prohibited by a sacred separation of jurisdictions.”

were once under their command.

In addition, lower-level managers become more impartial toward the entire organization as a result of exposure to rotating department heads. Project leaders and division and branch chiefs learn to keep their work in step with the direction of the laboratory and gain a good perspective on the need to coordinate efforts. If a second-rank supervisor in one department discovers a digression elsewhere, he usually sends an informal report up the chain of command to the appropriate superior, who then calls the matter to the attention of his wayward colleague.

Exceptions to the above processes occur in some divisions at Dahlgren that have little contact with the rest of the laboratory because their jobs are highly specialized or restricted for security purposes. Yet an overall sense of organizational direction does exist even in these segregated areas, and it has both horizontal and vertical impacts in the Dahlgren Laboratory. Its force is unquestionably stronger at the top where policy decisions are made, but as a result of executive rotation there is a pervasive effect which makes the sense of organizational direction an efficacious control mechanism that replaces the need for many directives and manuals codifying the agency's structure and system of operation.

Organizational interfaces

As a consequence of their diverse experience, Dahlgren's executives often achieve productive interfaces among different projects. Too often in public administration, crossing departmental boundaries in order to coordinate work is prohibited by a sacred separation of jurisdictions. Many federal, state, and local agencies suffer a loss of morale and productivity when protective managers squabble to assert in-



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need expertise in minicomputers. He and the training officer made plans for special classes almost one year before they were to begin, scheduling the training sessions to coincide with expected demands on the project groups. In neither of the preceding cases would the need for specialized training have been so quickly pinpointed without the benefit of rotation.

Executive mobility aids many personnel decisions in areas such as career development, promotions, salary increases, and training, because the administrator learns about individual employees and their performance under the demands of different work situations. After heading several departments, the executive amasses the background for balanced, objective personnel decisions. In the same manner, the department head can check an overzealous division chief or encourage a hesitant manager.

Organizational technology transfer

Technology transfer, one of the major concerns of the scientific community, involves more than international schemes of great magnitude. It is of interest at various organizational levels ranging from worldwide forums on modernization to individual research and development laboratories like Dahlgren that thrive on internal dissemination of the latest scientific advances. Executive rotation aids this internal mechanism.

Exchange of technical information can be attained through many methods besides training sessions. Other methods include in-house presentations on scientific advancements, consultations among lab-

oratory personnel, planned symposiums, distribution of technical publications, and contact with other R&D organizations, including universities. In accomplishing a transfer of technology, the role of executive rotation is to emphasize the need to rectify technical deficiencies. There may also be an additional payoff, inasmuch as rotations may expose an executive to other professionals who can profit from planned exchange sessions.

Organizational change

Rotation of department heads injects an element of change into a management system without the adverse side effects that result from other methods. Organizations often assimilate technical changes in the spirit of progress, but resist management alterations because employees may be emotionally attached to the old way of doing business. An organization that consistently rejects changes in management procedures, however, will gradually reduce the quality of its output; its employees will suffer from mental stagnation and a decline in innovation.

These shortcomings occur too frequently in public administration, where there is no unifying profit motive to stimulate change, in contrast to private enterprise, whose survival depends upon keeping on its monetary toes. Even though the Dahlgren Laboratory is funded under a budget that does make it responsible for a monetary allocation, this system does not dispel reluctance to rearrange the hierarchical patterns and to alter the established ways of running them. Flexibility is also hampered by the imposition of personnel ceilings and career management stipulations and by the civil service requirement that managers must be permanently designated on an official position classification chart.

How can agencies overcome the natural tendency to stroll down the same administrative path? Over the years a number of techniques have been used to provide incentives for change, including private consultants, reorganization, sensitivity training groups, ad hoc study committees, advanced planning groups, and the shifting of employees at all levels of the personnel ladder. These alternatives have met with varying degrees of success, but not without causing unnecessary expense, conflict, and disruption in normal routines.

Executive rotation, in contrast, lacks these disadvantages. In addition, the interview respondents felt

that rotation had an important impact in that the division chiefs, and in turn their branch heads, tend to reexamine their way of managing in response to each new departmental executive's philosophy of budgeting, manner of delegating authority, and so forth. Some interviewed personnel believed that the most important products of executive mobility were insights regarding how a goal might be reached or how a different managerial approach could be used.

Furthermore, the impact of mobility at the top filters down to the division and branch echelons, helping to maintain a high level of expertise close to the work groups where it is most needed. This means that technical advice is readily available to assist projects, notwithstanding a lack of continuous leadership by one specialist. Dahlgren does rotate its lower line managers, but executive mobility makes it unnecessary to rely on them to promote change.

Executive rotation offers a degree of protection against unexpected organizational crises. For example, an agency could not predict that a young executive would die prematurely. Or an organization seldom prepares fully to consolidate with another bureau, for history shows that most decisions to reorganize are made with little warning. Executive rotation, although not designed to deal with these kinds of crises, contributed to satisfactory solutions when such problems did occur.

In the first case mentioned, a bright young executive was killed in a hunting accident. He led a department engaged in crucial programs which could be harmed by a leadership transition, but nothing deleterious happened because his replacement, who at the time was the assistant department head, had been prepared for greater responsibility, having served elsewhere in the laboratory as an acting head of several technical departments and for one year as the executive in charge of the personnel department.

Upheaval was averted again when the chief of a newly created department had to be reassigned to a more urgent project. His successor was able to pick up the operation without any loss of momentum on the basis of having headed several related departments.

Rotation also offset the potential adverse impact of Dahlgren's consolidation in 1974 with the Naval Ordnance Laboratory. Dahlgren's comptroller had served a rotational term as the associate technical director, "an unusual switch, since it involved the

suming technical duties. The comptroller's experience, however, turned out to be a tremendous windfall when the reorganization occurred. As a result of his contact with the monetary aspects of scientific problems at a high level, the comptroller was better able to handle the challenges presented when two financial departments merged under the newly established Naval Surface Weapons Center.

It would be impressive but presumptuous to claim that the preceding cases were successful because of deliberately planned rotations, since the rotational assignments were not made in anticipation of crises. Nevertheless, executive mobility did help to ameliorate the difficulties.

Proper approach crucial

Reassignment contributes to the executive's personal development while satisfying organizational demands. At the same time that it strengthens organizational cohesion, rotation revitalizes the executive, enhances his decision-making abilities, and adds to his capacity to deal with new situations, different people, and diverse sponsors.

But these advantages do not simply happen. Periodic rotation must be planned, not by personnel specialists, but by the chief administrator in response to organizational needs. Rotation should not take place merely for the purpose of shifting personnel now and then; it should always be done for a justifiable, underlying reason. It cannot serve as a panacea for every organizational ailment, and it should not be overdone. If these precepts are followed, then executive rotation can be as fruitful as it has been at the Dahlgren Laboratory, where intelligent planning minimized the disadvantages of rotation. Virtually any governmental agency, regardless of its structure, can implement executive rotation and reap the same advantages that have contributed to Dahlgren's efficiency. **DMJ**

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